

City of Detroit

CITY COUNCIL

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ANNE MARIE LANGAN
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TO: Shenetta L. Coleman, Director
Human Services Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director **14.**

DATE: April 25, 2008

RE: 2008-2009 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2008-2009 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Pamela Scales, Budget Department Director
Donna McAlister, Budget Department Team Leader
Norman White, Chief Financial Officer
Kerwin Wimberly, Mayor's Office

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Proposed Layoffs and Position Changes

The Mayor's Proposed Budget for 2008-2009 does not include any layoffs, and the DHS is gaining two positions.

Significant Funding Changes by Appropriation

| <u>Appro.</u> | <u>Program</u> | |
|---------------|--|---|
| 12451 | Community Service Block Grant Administration | The fiscal year 2008-2009 appropriation rose by 233,672 compared to the current fiscal year's amount due to an increase in grant funding. |

Human Services (30)

| Budgeted Professional and <u>Contractual Services by Activity</u> | FY 2007-08 <u>Budget</u> | FY 2008-09 <u>Recommended</u> | Increase <u>(Decrease)</u> |
|--|-----------------------------|----------------------------------|-------------------------------|
| Administration & Center Operations | \$ 1,967,116 | \$ 2,027,116 | \$ 60,000 |
| Community Programs | - | - | - |
| Head Start & Early Head Start/Youth | 40,773,449 | 43,757,145 | 2,983,696 |
| Weatherization & Energy Assistance | 4,498,877 | 4,498,877 | - |
| Neighborhood Drug Program | 231,642 | 229,441 | (2,201) |
| Homeless Programs | <u>250,000</u> | <u>250,000</u> | <u>-</u> |
| Total | <u>\$ 47,721,084</u> | <u>\$ 50,762,579</u> | <u>\$ 3,041,495</u> |

| | | |
|-------|---------------------------------|---|
| 12455 | TANF Funds | The appropriation for Temporary Assistance for Needy Families remains the same at \$497,928 for fiscal year 2008-2009. |
| 12463 | Package Meals | The 2008-2009 appropriation of \$12,240 for package meals is the same amount as in the current fiscal year. |
| 12470 | MCAAA-Managed Care | The appropriation of \$200,000 for fiscal year 2008-2009 is the same as the current fiscal year. |
| 12474 | CSBG-Tax Preparation Assistance | The 2008-2009 appropriation of \$24,100 is the same as the current fiscal year. |
| 12464 | Head Start | Funding for the Head Start Program has increased by \$3,185,416 in fiscal year 2008-2009 compared to the amount in fiscal year 2007-2008. |
| 12466 | Early Head Start | The fiscal year 2008-2009 appropriation increased by \$20,413 compared to the current year's amount. |
| 12467 | HS-Training and Technical | The fiscal year 2008-2009 appropriation increased by \$33,949 in comparison to the current year's |

| | Assistance | funding. |
|-------|--|---|
| 12454 | MI. Public Service Commission Fund Winter | The fiscal year 2008-2009 appropriation increased by \$638,651 from the current year's amount, due to an increase in funding. |
| 12456 | MI. Public Service Commission Fund-MCAA WX | The 2008-2009 appropriation of \$700,745 is the same as the current fiscal year. |
| 12457 | MI. Public Commission Fund | The 2008-2009 appropriation of \$286,854 is the same as the current fiscal year. |
| 12458 | Weatherization DOE | The 2008-2009 appropriation of \$2,696,327 is the same as the current fiscal year. |
| 12459 | Weatherization-LIHEAP | The 2008-2009 appropriation of \$1,010,900 is the same as the current fiscal year. |
| 12475 | MPSC-WX/Client Education | The 2008-2009 appropriation of \$344,492 is the same as the current fiscal year. |
| 12468 | Drug Treatment | The fiscal year 2008-2009 appropriation decreased by \$8,000 compared to the amount in the current fiscal year, due to decreased grant funding. |
| 12476 | SEMHA Ryan White Title 1 | The fiscal year 2008-2009 appropriation declined by \$18,036 compared to the current fiscal year, due to reduced grant funding. |
| 10149 | Warming Center/Supportive Services | The fiscal year 2008-2009 appropriation of \$250,000 is the same as the current year. |

Issues and Questions

1. There are no grant dollars included in the Mayor's Proposed 2008-2009 Budget for overtime; however as of March 31, 2008 the Department used \$25,324 in overtime. Should there be a budget for overtime?
2. The Department requested \$48,732,634 for the Head Start and Early Head Start programs, which is an increase of \$3,239,778 from the current budget. Considering that the Department's actual cost for the Head Start and Early Head programs was \$47,485,556 in fiscal year 2006-2007, and the Department is anticipating an increase in enrollment of approximately 500 persons, is the requested amount of \$48,732,634 enough to sustain operations?
3. Has the Department been successful in securing more contractors form within the City for the Weatherization and Energy Assistance Program?